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EAST KOOTENAY POWER COMPANY, LIMITED

1963

Annual Report

EAST KOOTENAY POWER COMPANY, LIMITED

DIRECTORS

D. K. BALDWIN

W. G. E. LANNAMAN

G. E. ELKINGTON

M. F. STRONG

A. W. FINLAYSON

P. N. THOMSON

JAS. B. WOODYATT

OFFICERS

President JAS. B. WOODYATT

Vice-President & General Manager . . . G. E. ELKINGTON

Secretary-Treasurer. W. G. E. LANNAMAN

Asst. Secretary-Treasurer T. J. RAPPELL

Asst. Secretary-Treasurer J. W. ROSS

Auditors

PRICE WATERHOUSE & CO.

Transfer Agents & Registrars

MONTREAL TRUST COMPANY

Head Office

FERNIE, B.C.

EAST KOOTENAY POWER COMPANY, LIMITED

DIRECTORS' REPORT

The Directors have pleasure in submitting to Shareholders their Report and the Audited Financial Statements of the Company for the fiscal year ended March 31st 1963 which are to be presented at the Special General and Annual General Meeting of Shareholders to be held at 355 St. James St. West, Montreal, on Tuesday, June 25th 1963 at 10:30 A.M.

Gross operating revenue for the fiscal year was \$1,244,894 against \$1,133,107 in the preceding period.

The net profit for the year was \$190,713 against \$164,475.

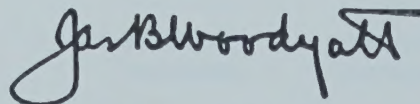
There were 894 customers at March 31st 1963. In addition, other customers are indirectly served by power supplied to municipalities in the Company's area.

There are 649 miles of transmission and distribution lines in service, of which 480 miles are company owned.

Plants, lines and substations operated satisfactorily during the year.

The Directors are pleased to place on record their appreciation of the services rendered by all employees of the Company.

On behalf of the Board,



President.

28 May 1963.

EAST KOOTENAY POW

Balance Sheet as

(with comparable bal

ASSETS

CURRENT ASSETS:

	1963	1962
Cash	\$ 95,822	\$ 94,666
Accounts receivable	133,123	158,182
Materials and supplies, at cost.	55,371	56,987
Prepaid expenses.	24,674	27,392
	<u>\$ 308,990</u>	<u>\$ 337,227</u>

INVESTMENTS:

Marketable securities, at cost (quoted value, 1963 — \$588,812)	\$ 601,549	\$ 447,229
First mortgage bonds of the company, at cost (par value, 1963 — \$25,000)	23,613	53,435
	<u>\$ 625,162</u>	<u>\$ 500,664</u>

FIXED ASSETS:

Property, plant, equipment, power rights, etc., at cost.	\$7,110,823	\$6,996,099
Deduct: Accumulated depreciation	3,389,266	3,200,283
	<u>\$3,721,557</u>	<u>\$3,795,816</u>

Signed on behalf of the board:

JAS. B. WOODYATT, Director

P. N. THOMSON, Director

\$4,655,709

\$4,633,707

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the balance sheet of East Kootenay Power Company, Limited as at March 31 all the information and explanations we have required. Our examination included a general review of the necessary in the circumstances.

In our opinion, and according to the best of our information and the explanations given to us and earned surplus are properly drawn up so as to exhibit a true and correct view of the state of the affairs of with generally accepted accounting principles.

Montreal, May 22 1963

R COMPANY, LIMITED

at March 31 1963

as at March 31 1962)

LIABILITIES

CURRENT LIABILITIES:

	1963	1962
Accounts payable	\$ 54,431	\$ 77,951
Bond and debenture interest accrued	30,000	31,400
Income and other taxes payable	156,820	119,611
Dividend payable	17,500	17,500
	<u>\$ 258,751</u>	<u>\$ 246,462</u>

LONG-TERM DEBT:

3¾% First mortgage bonds, Series A, due May 1 1967	\$1,150,000	\$1,225,000
4½% Debentures, due May 1 1968.	660,000	696,000
	<u>\$1,810,000</u>	<u>\$1,921,000</u>

CAPITAL STOCK AND SURPLUS

CAPITAL STOCK:

Authorized —

50,000 7% cumulative redeemable preference
shares of \$100 each. \$5,000,000

50,000 common shares of no par value

Issued —

10,000 7% cumulative redeemable preference shares of \$100 each
(Dividends are in arrears from 1932 to 1957, and amount to \$175
per share). \$1,000,000 \$1,000,000

30,000 common shares for a consideration of 150,000 150,000

	<u>\$1,150,000</u>	<u>\$1,150,000</u>
EARNED SURPLUS — per statement attached.	1,436,958	1,316,245
	<u>\$2,586,958</u>	<u>\$2,466,245</u>
	<u>\$4,655,709</u>	<u>\$4,633,707</u>

EAST KOOTENAY POWER COMPANY, LIMITED

and the statement of profit and loss and earned surplus for the year ended on that date and have obtained
auditing procedures and such tests of accounting records and other supporting evidence as we considered

shown by the books of the company, the accompanying balance sheet and statement of profit and loss and
company as at March 31 1963 and the results of its operations for the year ended on that date, in accordance

PRICE WATERHOUSE & CO.,
Chartered Accountants.

EAST KOOTENAY POWER COMPANY, LIMITED

Statement of Profit and Loss and Earned Surplus
For the Year Ended March 31 1963

Revenue from operations		\$1,244,894
DEDUCT:		
Operating, maintenance and general expenses	\$ 580,249	
Allowance for depreciation	203,400	
Executive officer's salary	13,000	
Directors' fees	3,625	
Legal fees.	1,500	
Pension fund contributions	21,097	822,871
Profit from operations		\$ 422,023
ADD: Miscellaneous Income —		
Income from investments	\$ 21,971	
Profit on bonds redeemed	4,260	
Sundry profits and income	17,632	43,863
		\$ 465,886
DEDUCT: Interest on bonds and debentures		72,573
Profit before income taxes.		\$ 393,313
Income Taxes		202,600
NET PROFIT FOR THE YEAR.		\$ 190,713
ADD: Earned surplus as at March 31 1962.		1,316,245
		\$1,506,958
DEDUCT: Dividends on preference shares		70,000
EARNED SURPLUS AS AT MARCH 31 1963		\$1,436,958

EAST KOOTENAY POWER COMPANY, LIMITED

3-line report

Comparative Statistics 1959-1963

For the Years Ended March 31st

	1963	1962	1961	1960	1959
Electric revenue	\$ 1,244,894	\$ 1,133,107	\$ 989,345	\$ 941,148	\$ 878,784
Miscellaneous revenue	43,863	48,783	58,530	50,630	46,066
Gross revenue.	<u>\$ 1,288,757</u>	<u>\$ 1,181,890</u>	<u>\$ 1,047,875</u>	<u>\$ 991,778</u>	<u>\$ 924,850</u>
Operation.	348,276	354,272	297,794	269,588	266,050
Maintenance	170,111	148,522	146,002	136,088	107,993
Employees' pension fund	21,097	27,800	24,575	21,400	21,777
Taxes (ex. income tax)	79,987	80,626	64,957	59,118	56,671
Total operation, maintenance and taxes. \$	<u>619,471</u>	<u>611,220</u>	<u>533,328</u>	<u>486,194</u>	<u>452,491</u>
Earnings from operations. \$	<u>669,286</u>	<u>570,670</u>	<u>514,547</u>	<u>505,584</u>	<u>472,359</u>
Interest.	72,573	92,528	102,177	105,290	108,129
Depreciation	203,400	162,500	156,600	159,750	168,000
Total deductions. \$	<u>275,973</u>	<u>255,028</u>	<u>258,777</u>	<u>265,040</u>	<u>276,129</u>
Net earnings before income tax \$	393,313	315,642	255,770	240,544	196,230
Income tax	202,600	151,167	111,750	105,650	77,450
Net profit for the year \$	<u>190,713</u>	<u>164,475</u>	<u>144,020</u>	<u>134,894</u>	<u>118,780</u>
Surplus brought forward	1,316,245	1,221,770	1,147,750	1,082,856	1,034,076
	<u>\$ 1,506,958</u>	<u>\$ 1,386,245</u>	<u>\$ 1,291,770</u>	<u>\$ 1,217,750</u>	<u>\$1,152,856</u>
Preferred dividend	70,000	70,000	70,000	70,000	70,000
Surplus carried forward. \$	<u>1,436,958</u>	<u>1,316,245</u>	<u>1,221,770</u>	<u>1,147,750</u>	<u>\$1,082,856</u>
Kilowatt-Hour output	133,455,120	128,633,327	112,946,240	108,321,623	89,486,835

